

**FISCAL NOTE**  
**HB 2427 - SB 2579**

April 5, 2004

**SUMMARY OF BILL:** Revises the provision of the Charter Schools Act governing the creation and conversion of charter schools. The bill authorizes the creation of or conversion to a charter school to provide alternatives for students in schools *on probation* instead of in schools *failing to make adequate yearly progress*. Therefore, under this bill, students from schools on notice would not be eligible to attend a charter school. Schools would have to be on probation to be eligible for conversion to a charter school or for students in that school to be eligible to transfer to a charter school.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – Prevents a shift in BEP funds from LEAs to public charter schools in an amount exceeding \$100,000.**

Estimate based on the following:

- The bill limits the number of students eligible to enroll as well as the number of schools eligible for conversion to charter status. For the 2003-04 school year, there were 34 schools on probation compared to 711 targeted schools as failing to make adequate yearly progress.
- The bill changes those schools failing to make average yearly progress (AYP) to those schools on probation. Current law limits the number of eligible schools to one-third of the number of schools failing to make AYP.
- The average number of students enrolled in a charter school is estimated to be 100.
- An amount per student based on revenues would go to the charter school since funds follow the student.
- Limiting the number of potential schools and students eligible for charter status in the future is estimated to result in fewer funds being shifted from the LEA to the public charter school.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

**HB 2427 - SB 2579**